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Arizona Corporation Commission

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TO:

Docket Control Centern DFC 13 P 12: 53

FROM:

Ernest G. Johnson AZ CORP COMMISSION

Director

Utilities Division

DATE:

RE:

December 13, 2007

CIRCLE CITY WATER COMPANY, LLC - REQUEST FOR EXTENSION OF COMPLIANCE DEADLINE (DOCKET NOS. W-03510A-05-0145 AND W-03510A-

05-0146)

In Decision No. 68246, dated October 28, 2005, the Arizona Corporation Commission ('A.C.C." or "Commission") approved the application of Circle City Water Company, LLC ("Circle City" or "Company") for an extension of its Certificate of Convenience and Necessity.

As part of Decision No. 68246, the Commission ordered that:

"Circle City Water Company, LLC shall file with Docket Control copies of the Certificate of Approval to Construct for Phase 1 of the project ... "

"Circle City Water Company, LLC shall file a copy of the Developer's Assured Water Supply for Phase 1 of this project with the Commission ..."

The Commission ordered that the Certificate of Approval to Construct ("ATC") and the copy of the Developer's Certificate of Assured Water Supply ("CAWS") be provided within 24 months of the date of the decision – or October 25, 2007.

On October 22, 2007, Circle City filed a motion for extension of time to comply with Decision No. 68246. In the application, the Company requested an extension of time, until January 31, 2008, to comply with the compliance items outlined above. By way of explanation, the Company stated that "Harvard Investments, Inc. ("Harvard") has not yet completed the processes necessary to secure the CAWS and the ATC."

According to the Company, a Well Permit Application was necessary and has been approved by ADWR. The CAWS application was then submitted by the developer to ADWR on August 8, 2007. The CAWS request has been under review by the Office of Assured Water Supply which would include a review of a hydrology study. Staff contacted Mr. Michael Grant, attorney for Harvard Investments, to discuss the processing of the CAWS and any changes that may have occurred since the filing of the request for extension of time. Mr. Grant stated that while work to meet the originally proposed January 31, 2008 due date continues, meeting the proposed date is currently less certain due to the fact that ADWR sought additional hydrological Docket Control Center December 13, 2007 Page 2

data from the Company in its review of the developer's hydrology study. He stated that a proposed extension until February 28, 2008 or March 31, 2008 was currently more appropriate due to the delay with the hydrology study. Staff accepted this discussion as an amendment to the application for extension filed on October 22, 2007.

Regarding the ATC, the application states that Harvard recently provided Circle City with the proposed engineering plans relating to the Phase 1 construction. The plans will need to be fully reviewed by Circle City and will subsequently require approval from the Maricopa County Environmental Services Department.

Staff Recommendation

Staff does not object to the Company request for additional time to provide the CAWS filing and the Certificate of ATC. Although the CAWS and the ATC are not specifically linked, Staff notes that the Commission originally ordered that the CAWS and the ATC filings be provided at the same time – October 25, 2007. Therefore, in order to synchronize the due dates, as previously ordered by the Commission, and address recent time issues relating to the hydrology study, Staff recommends that the Company receive an extension of these due dates. In an effort to avoid future extension requests by the Company, Staff recommends that the CAWS and ATC due dates be extended to June 30, 2008. Staff also recommends that no further extensions of time be granted in this matter.

EGJ:BKB:lhm

Originator: Brian K. Bozzo

Attachment

SERVICE LIST FOR: DOCKET NOS.

CIRCLE CITY WATER COMPANY, LLC. W-03510A-05-0145 and W-03510A-05-0146

Mr. Jay L. Shapiro Fennemore Craig 3003 North Central Avenue, Suite 2600 Phoenix, Arizona 85012

Ms. Gale Graves 144 Peretz Circle Morristown, Arizona 85342

Mr. Harry Dame Post Office Box 26 Morristown, Arizona 85342

Mr. Christopher C. Kempley Chief Counsel, Legal Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Mr. Ernest G. Johnson Director, Utilities Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Ms. Lyn Farmer Chief Administrative Law Judge Hearing Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

RECEIVED

FENNEMORE CRAIG, P.C. A Professional Corporation
Jay L. Shapiro (No. 014650)
Patrick J. Black (No. 017141)
3003 North Central Avenue
Suite 2600
Phoenix, Arizona 85012
Telephone (602) 916-5000

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Attorneys for Circle City Water Company, L.L.C.

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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE **MATTER** OF THE | APPLICATION OF CIRCLE **CITY** COMPANY, WATER LLC **FOR** APPROVAL OF A HOOK-UP FEE TARIFF.

DOCKET NO. W-03510A-05-0145

IN THE **MATTER OF** THE APPLICATION **CIRCLE** OF **CITY** WATER COMPANY, LLC FOR AN ITS EXTENSION OF **EXISTING** CERTIFICATE OF CONVENIENCE AND NECESSITY FOR WATER SERVICE.

DOCKET NO. W-03510A-05-0146

MOTION FOR EXTENSION OF TIME TO COMPLY WITH DECISION NO. 68246

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Circle City Water Company, L.L.C. ("Circle City") files this Motion for an Extension of Time to Comply with Commission Decision No. 68246 (October 25, 2005) ("Order"). The Order requires Circle City to file copies of a Certificate of Approval to Construct ("ATC"), as well as the developer's Certificate of Assured Water Supply ("CAWS") for Phase 1 of the project by October 25, 2007. Harvard Investments, Inc. ("Harvard") has not yet completed the processes necessary to secure the CAWS and the ATC. Therefore, Circle City respectfully requests that the Commission extend the deadline to file these two compliance items to January 31, 2008.

The CAWS application has been submitted to the Arizona Department of Water Resources ("ADWR") and the Well Permit Application was submitted on July 3, 2007. ADWR has completed its review and has approved the well permit. The CAWS

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application was submitted to ADWR on August 8, 2007, and is currently under review by the Office of Assured Water Supply, including a review of the applicable hydrology study.

As to the ATC, Harvard recently provided Circle City with the proposed engineering plans for the Phase 1 interconnection contained in Exhibit B of the Order. However, these plans are currently under consideration by Circle City, and will need final authorization and approval from the Maricopa County Environmental Services Department after thoroughly reviewed and approved by Circle City.

Extending the deadline by approximately three (3) months should allow Harvard the time necessary to secure the required approvals. Therefore, Circle City respectfully requests that the Commission approve the extension requested for filing the CAWS and the ATC to January 31, 2008.

DATED this 22 day of October, 2007.

FENNEMORE CRAIG, P.C.

Jay L. Shapiro Patrick J. Black

Attorneys for Circle City Water Company, L.L.C.

ORIGINAL and 15 copies filed this day of October, 2007:

Docket Control Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

FENNEMORE CRAIG

1	COPY delivered this
2	द्भेर्यंday of October, 2007 to:
3	Chris Kempley
4	Chief Counsel Legal Division
5	Arizona Corporation Commission
	1200 West Washington Street
6	Phoenix, AZ 85007
7	Kimberly Battista
8	Manager, Compliance and Enforcement
9	Utilities Division Arizona Corporation Commission
10	1200 West Washington Street
	Phoenix, AZ 85007
11	By: Marin sanjou
12	1.5°
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FENNEMORE CRAIG PROFESSIONAL CORPORATION PROENIX

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